



FILE COPY

December 3, 2014

Linda Brady, Chancellor
University of North Carolina - Greensboro
1000 Spring Garden St., (303 Mossman)
Greensboro, NC 27402

UPS Tracking Number:
1ZA879640298523879

RE: **Final Program Review Determination**
OPE ID: 00297600
PRCN: 201340428402

Dear Chancellor Brady:

The U.S. Department of Education's (Department's) School Participation Division – Atlanta issued a program review report on July 30, 2014 covering University of North Carolina - Greensboro's (UNCG) administration of programs authorized by Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for the 2007 – 2009 award years. UNCG's final response was received on August 11, 2014. A copy of the program review report (and related attachments) and UNCG's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by UNCG upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Purpose:

Final determinations have been made concerning all of the outstanding findings of the program review report. The purpose of this letter is to: (1) identify liabilities resulting from the findings of this program review report, (2) provide instructions for payment of liabilities to the Department, (3) notify the institution of its right to appeal, and (4) close the review.

The total liabilities due from the institution from this program review are \$2,352.

This final program review determination contains detailed information about the liability determination for all findings.

Federal Student Aid
THE OFFICE OF FEDERAL STUDENT AID, U.S. DEPARTMENT OF EDUCATION

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Atlanta School Participation Division
61 Forsyth Street SW, Suite 18T40, Atlanta, GA 30303
www.StudentAid.gov

Appeal Procedures:

This constitutes the Department's FPRD with respect to the liabilities identified from the July 30, 2014 program review report. If UNCG wishes to appeal to the Secretary for a review of financial liabilities established by the FPRD, the institution must file a written request for an administrative hearing. Please note that institutions may appeal financial liabilities only. The Department must receive the request no later than 45 days from the date UNCG receives this FPRD. An original and four copies of the information UNCG submits must be attached to the request. The request for an appeal must be sent to:

Ms. Mary E. Gust, Director
Administrative Actions and Appeals Service Group
U.S. Department of Education
Federal Student Aid/PC
830 First Street, NE - UCP3, Room 84F2
Washington, DC 20002-8019

UNCG's appeal request must:

- (1) indicate the findings, issues and facts being disputed;
- (2) state the institution's position, together with pertinent facts and reasons supporting its position;
- (3) include all documentation it believes the Department should consider in support of the appeal. An institution may provide detailed liability information from a complete file review to appeal a projected liability amount. Any documents relative to the appeal that include PII data must be redacted except the student's name and last four digits of his / her social security number (please see the attached document, "Protection of Personally Identifiable Information," for instructions on how to mail "hard copy" records containing PII); and
- (4) include a copy of the FPRD. The program review control number (PRCN) must also accompany the request for review.

If the appeal request is complete and timely, the Department will schedule an administrative hearing in accordance with § 487(b)(2) of the HEA, 20 U.S.C. § 1094(b)(2). The procedures followed with respect to UNCG's appeal will be those provided in 34 C.F.R. Part 668, Subpart H. **Interest on the appealed liabilities shall continue to accrue at the applicable value of funds rate, as established by the United States Department of Treasury, or if the liabilities are for refunds, at the interest rate set forth in the loan promissory note(s).**

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the

end of the retention period otherwise applicable to the record under 34 C.F.R. §§ 668.24(e)(1), (e)(2), and (e)(3).

If the institution has any questions regarding this letter, please contact Robert Scott at (404) 974-9300. Questions relating to any appeal of the FPRD should be directed to the address noted in the Appeal Procedures section of this letter.

Sincerely,

(b)(6)

Chris Miller
Division Director

Enclosure:
Protection of Personally Identifiable Information
Program Review Report (and appendices)
Final Program Review Determination Report (and appendices)

cc: Deborah Tollefson, Financial Aid Administrator
NC Board of Governors of the University of NC
Southern Association of Colleges and Schools Commission on Colleges
Department of Defense
Department of Veterans Affairs
Consumer Financial Protection Bureau

PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION

Personally Identifiable Information (PII) being submitted to the Department must be protected. PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth).

PII being submitted electronically or on media (e.g., CD-ROM, floppy disk, DVD) must be encrypted. The data must be submitted in a .zip file encrypted with Advanced Encryption Standard (AES) encryption (256-bit is preferred). The Department uses WinZip. However, files created with other encryption software are also acceptable, provided that they are compatible with WinZip (Version 9.0) and are encrypted with AES encryption. Zipped files using WinZip must be saved as Legacy compression (Zip 2.0 compatible).

The Department must receive an access password to view the encrypted information. The password must be e-mailed separately from the encrypted data. The password must be 12 characters in length and use three of the following: upper case letter, lower case letter, number, special character. A manifest must be included with the e-mail that lists the types of files being sent (a copy of the manifest must be retained by the sender).

Hard copy files and media containing PII must be:

- sent via a shipping method that can be tracked with signature required upon delivery
- double packaged in packaging that is approved by the shipping agent (FedEx, DHL, UPS, USPS)
- labeled with both the "To" and "From" addresses on both the inner and outer packages
- identified by a manifest included in the inner package that lists the types of files in the shipment (a copy of the manifest must be retained by the sender).

PII data cannot be sent via fax.

Prepared for
**University of North Carolina -
Greensboro**

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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**OPE ID 00297600
PRCN 201340428402**

Prepared by
**U.S. Department of Education
Federal Student Aid
School Participation Division - Atlanta**

Final Program Review Determination December 3, 2014

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A. Institutional Information

University of North Carolina - Greensboro
1000 Spring Garden St. (303 Mossman)
Greensboro, NC 27402

Type: Public

Highest Level of Offering: Doctorate

Accrediting Agency: Southern Association of Colleges and Schools Commission on Colleges

Current Student Enrollment: 20,106 (2014)

% of Students Receiving Title IV, HEA funds: 71% (2014)

Title IV, HEA Program Participation (PC Net):

2013	
Federal Pell Grant Program (PELL)	\$28,080,971
Federal Work Study (FWS)	\$ 368,830
Federal Supplemental Educational Opportunity Grant (FSEOG)	\$ 432,917
Teacher Education Assistance for College and Higher Education (TEACH)	\$ 50,716
Federal Perkins Loan Program (Perkins)	\$ 835,149
Federal Direct Loan Program Subsidized (DLSUB)	\$31,803,776
Federal Direct Loan Program Unsubsidized (DLUNSUB)	\$48,425,112
Federal Direct Loan Program Parent PLUS (PLUS)	\$13,304,589
Federal Direct Loan Program Grad PLUS (GRAD)	\$ 362,125

Default Rate FFEL/DL:	2011	7.5%
	2010	6.7%
	2009	3.9%

Default Rate Perkins:	2013	6.3%
	2012	7.7%
	2011	5.4%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at University of North Carolina - Greensboro (UNCG) from August 26, 2013 to August 30, 2013. The review was conducted by Robert Scott.

The focus of the review was identifying Title IV funds disbursed in all award years from any unreported, additional locations. The review consisted of an examination of UNCG's policies and procedures concerning admissions, academic programs, satisfactory academic progress and attendance as well as institutional and financial aid consumer publications, data related to current enrollment and the percentage of students receiving Title IV aid and the Recipient Data Spreadsheet which identified students who received Title IV, HEA program funds from unreported additional locations during the award years in question.

Nine (9) student files were identified for review from the Winter Semester 2007 through Fall Semester 2009. Appendix A lists the names and social security numbers of the students whose files were examined during the program review. A program review report was issued on July 30, 2014.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning UNCG's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve UNCG of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

C. Findings and Final Determinations

Finding with Final Determination

The program review report finding requiring further action is summarized below. At the conclusion of the finding is a summary of UNCG's response to the finding, and the Department's final determination for that finding. A copy of the program review report issued on July 30, 2014 is attached as Appendix B.

Finding #1. Ineligible, Unreported Additional Location

Citation Summary: A fully certified, eligible institution is required to report the establishment of an accredited and licensed additional location where it offers or will offer 50% or more of a Title IV eligible educational program and must report the licensed and accredited location to the Department within 10 days of its establishment. Once the location is reported and approved, the school may disburse funds at that location. If the

institution fails to report the location to the Department within the aforementioned timeframe, adverse action may be taken against the institution. See 34 C.F.R. § 600.21 (a), (d) and (e).

Noncompliance Summary: For multiple award years, UNCG had graduate program instruction at the North Campus location which was not approved by the Department. The location was not properly licensed and/or accredited when UNCG began offering 50% or more of an eligible educational program at that location. UNCG ceased student teaching at the location Fall Semester 2009.

Required Action Summary: UNCG was required to provide the Department with confirmation of funds disbursed at the unreported location for calculation of estimated actual loss figures and a determination of liabilities to be repaid.

UNCG's Response: UNCG has taken necessary steps to ensure this is not a repeated situation. UNCG accepts responsibility for the finding and assures future compliance with Department procedures and regulations. The institution provided notification from the accreditor indicating late notification of the additional location was accepted without assessed penalties.

Final Determination: The total amount of Direct Loan funds (subsidized and unsubsidized) disbursed to students who were instructed at the unreported location during the 2007 – 2009 award years is \$176,338.00. The estimated actual loss to the Department that has resulted or will result from those ineligible loans is based on UNCG's most recent cohort default rate available. As a result, the estimated actual loss that UNCG must pay to the Department for the ineligible loans is \$2,352. A copy of the results of that calculation is included as Appendix D.

D. Summary of Liabilities

Liabilities	EALF DL	
Subtotal:	\$2,352	
TOTAL	\$2,352	
Payable To:		Totals:
Department	\$2,352	\$2,352

E. Payment Instructions

1. Liabilities Owed to the Department

Liabilities Owed to the Department \$1,000 or More but Less Than \$100,000

UNCG owes to the Department \$2,352. Payment must be made by forwarding a check made payable to the "U.S. Department of Education" to the following address within 45 days of the date of this letter:

U.S. Department of Education
P.O. Box 979026
St. Louis, MO 63197-9000

Remit checks only. Do not send correspondence to this address.

Payment must be made via check and sent to the above Post Office Box. Payment and/or adjustments made via G5 will not be accepted as payment of this liability. Instead, the school must first make any required adjustments in COD as required by the applicable finding and Section II – Instructions by Title IV, HEA Program (below), remit payment, and upon receipt of payment the Department will apply the funds to the appropriate G5 award (if necessary).

The following identification data must be provided with the payment:

Amount: \$2,352.00
DUNS: 616152567
TIN: 566001468
Program Review Control Number: 201340428402

Terms of Payment

As a result of this final determination, the Department has created a receivable for this liability and payment must be received by the Department within **45 days of the date of this letter**. If payment is not received within the 45-day period, interest will accrue in monthly increments from the date of this determination, on the amounts owed to the Department, at the current value of funds rate in effect as established by the Treasury Department, until the date of receipt of the payment. UNCG is also responsible for repaying any interest that accrues. If you have any questions regarding interest accruals or payment credits, contact the Department's Accounts Receivable Group at (202) 245-8080 and ask to speak to UNCG's account representative.

If full payment cannot be made within **45 days** of the date of this letter, contact the Department's Accounts Receivable Group to apply for a payment plan. Interest charges and other conditions apply. Written request may be sent to:

U.S. Department of Education
OCFO Financial Management Operations
Accounts Receivable Group
550 12th Street, S.W., Room 6114
Washington, DC 20202-4461

If within 45 days of the date of this letter, UNCG has neither made payment in accordance with these instructions nor entered into an arrangement to repay the liability under terms satisfactory to the Department, the Department intends to collect the amount due and payable by administrative offset against payments due UNCG from the Federal Government. **UNCG may object to the collection by offset only by challenging the existence or amount of the debt.** To challenge the debt, UNCG must **timely appeal** this determination under the procedures described in the "Appeal Procedures" section of the cover letter. The Department will use those procedures to consider any objection to offset. **No separate appeal opportunity will be provided.** If a timely appeal is filed, the Department will defer offset until completion of the appeal, unless the Department determines that offset is necessary as provided at 34 C.F.R. § 30.28. This debt may also be referred to the Department of the Treasury for further action as authorized by the Debt Collection Improvement Act of 1996.

F. Appendices

Appendices A – E are attached to this report.